

## Message Text

LIMITED OFFICIAL USE

PAGE 01 ALGIER 00555 141857Z

43

ACTION EB-11

INFO OCT-01 AF-10 ISO-00 COME-00 STR-08 FEA-02 INT-08

TRSE-00 XMB-07 CIAE-00 INR-10 NSAE-00 RSC-01 DRC-01

/059 W

----- 097941

P 141731Z MAR 74

FM USINT ALGIERS

TO SECSTATE WASHDC PRIORITYI0243

LIMITED OFFICIAL USE ALGIERS 0555

E.O. 11652: N/A

TAGS: ENRG, ETRD, AG

SUBJ: TRADE AND INVESTMENT OPPORTUNITIES ARISING

REF: STATE 045917

1. ALGERIA CAN FULLY UTILIZE INCREASED INCOME FROM PETROLEUM EXPORTS IN ITS INDUSTRIAL DEVELOPMENT PROGRAM, AND INTENDS TO DO SO. THOUGH 1974-77 FOUR YEAR PLAN HAS NOT BEEN ANNOUNCED, GOA CITES FIGURE OF 25 BILLION INVESTMENT UNDER PLAN. THIS WILL MORE THAN USE CURRENT OIL FISCAL REVENUE TO GOA WHICH WE CALCULATE USING TODAY'S POSTED PRICE AT FOUR BILLION DOLLARS. IN THIS SITUATION CHANCES OF ALGERIAN INVESTMENT IN U.S. VIRTUALLY NIL. U.S. INVESTMENT IN ALGERIA WILL CONTINUE TO BE CONFINED TO JOINT VENTURES WITH MAJORITY ALGERIAN CONTROL AND USUALLY IN OIL SECTOR (E.G., SUN OIL JOINT VENTURE EXPLORATION CONTRACT WITH SONATRACH).

2. GOA PLANS TO ACCELERATE PACE OF DEVELOPMENT, AND WHILE IT MAY BE LESS DEPENDENT UPON FOREIGN BORROWING, WE DO NOT RPT NOT EXPECT DIRECTION OR NATURE OF ALGERIAN INVESTMENT PROGRAM TO CHANGE. THIS ALSO APPLIES TO ALGERIAN FOREIGN TRADE WHICH GOA EXPECTS TO BE ALMOST DOUBLE THAT OF 1973 OR ABOUT 8 BILLION DOLLARS. GOA EXPECTS TRADE TO

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ALGIER 00555 141857Z

BE ABOUT IN BALANCE IN 1974. THE U.S. PERCENT OF THIS

INCREASE MAY CHANGE IF THE OIL BOYCOTT CONTINUES BECAUSE  
IT WILL DRASTICALLY ALTER THE U.S. /ALGERIAN BALANCE OF  
PAYMENTS WHICH FAVORED ALGERIA IN 1973 SINCE OVER 95 PERCENT  
OF ALGERIAN EXPORTS TO THE U.S. WERE OIL AND GAS. AVAILABILITY  
OF FINANCING MAY ALSO EFFECT DIRECTION OF ALGERIAN TRADE,  
ESPECIALLY THAT FROM U.S. WHICH IS MADE UP OF FEWER BUT  
LARGE ORDERS.  
EAGLETON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, EXPORTS, INDUSTRIAL DEVELOPMENT, INVESTMENTS, JOINT VENTURES, FOREIGN COMMITMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 MAR 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974ALGIER00555  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** ALGIERS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740345/aaaabptg.tel  
**Line Count:** 69  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 045917  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 13 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <13-Aug-2002 by elyme>; APPROVED <14-Aug-2002 by MorefiRH>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TRADE AND INVESTMENT OPPORTUNITIES ARISING  
**TAGS:** ENRG, ETRD, AG  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005